

July 14, 2004

[Click here and type name]

Dear [Click here and type name]:

The Municipal Energy Agency of Nebraska (MEAN) is submitting this Request for Proposals (RFP) for assistance in designing and constructing a 10 to 20 MW (approximate nameplate) wind generating project in the Kimball, NE area. MEAN is seeking proposals from qualified firms with experience in providing project design, construction, and management services for similar projects.

Description of MEAN

MEAN was created in 1981 as a political subdivision of the State of Nebraska, giving it the authority to generate, transmit or distribute electric power and energy and issue tax-exempt bonds. MEAN provides wholesale electric service to 40 total requirements participants in Nebraska, Colorado and Wyoming.

MEAN has a peak demand of approximately 260 MW, split evenly between the Eastern Interconnection and the Western Interconnection. MEAN's generating resources include federal hydropower allocations from the Western Area Power Administration, coal-fired generation, oil and natural gas fueled diesel generation, and purchased power from other utilities.

MEAN contracts for transmission service from the Nebraska Public Power District (NPPD), the Western Area Power Administration (WAPA) – Rocky Mountain Region, and Public Service Company of Colorado. MEAN contracts for network transmission arrangements for delivery of its resources to its load. We anticipate that the proposed project in Kimball would be used as a network resource to serve customers on the WAPA-Loveland Area (WACM) transmission system.

Description of Proposed Generating Unit Addition

The MEAN Board of Directors has authorized staff to independently pursue the development of a project of up to 20 MW at the Kimball site. MEAN intends to provide 10 MW to its members by integrating 5 MW into its resource mix and selling an additional 5 MW to MEAN members interested in offering wind energy to retail customers as part of their own green resource marketing programs. The additional 10 MW is contingent on securing contracts with other purchasers that have expressed interest in purchasing green resources. If the consultant is interested in developing 10 MW on a merchant basis or has interest from others, MEAN would be interested in working with the consultant, if selected, to integrate that capacity into this project.

The output from 10 MW of wind resource would correspond to approximately 2-3 % of MEAN's energy requirements. If the site is successful on a small scale, MEAN may construct additional turbines in the future.

The ultimate goals of MEAN's participation in this project are as follows:

1. Integrate non-hydro renewable resources into MEAN's resource mix.
2. Provide non-hydro renewable resources to members interested in developing green pricing programs for their customers.
3. Provide an economic development tool to the area surrounding a MEAN participant.

The delivery point would be the 34.5 kV sub-transmission system operated by the City of Kimball. The 34.5 kV sub-transmission system interconnects with a WAPA 115 kV transmission line through a 10 MVA transformer. The WAPA 115 kV transmission line runs between Kimball and Sidney, Nebraska, approximately 3 miles from the City of Kimball. WAPA has verbally indicated there is sufficient capacity on this transmission line to support a project of 20 MW in the Kimball area.

MEAN intends to use a portion of the output to serve local load in the Kimball area. The remainder would serve MEAN's network load on the WAPA transmission system, via our existing network transmission service agreement with WAPA.

Description of Proposed Site

MEAN has selected Kimball as a potential site for several reasons:

- Wind data collected near Kimball during 1996-1999 indicated that Kimball was a Class IV site, one of the better wind sites in the state of Nebraska.
- An analysis of available wind and topographic data has indicated there may be some Class V wind sites in the Kimball area.
- Kimball would like to place the facility near Interstate 80 and possibly develop a visitor center as an economic development tool.
- The facility would have good access to the Western Area Power Administration – Rocky Mountain Area (WAPA-RM) transmission grid in the Western Interconnection.

Wind data for the Kimball site is available from the High Plains Regional Climate Center (HPRCC). This data was collected as part of a Nebraska statewide wind-monitoring project. Any questions regarding the format of the data should be submitted to the HPRCC. This information is provided as-is and MEAN assumes no responsibility for the accuracy or reliability of the information. The website address is: <http://hpccsun.unl.edu/wind/>

Request for Proposals

MEAN is seeking proposals from qualified firms before 5:00 p.m. (CT) on or before August 20, 2001. Facsimile proposals are **not** acceptable. Three copies of your proposal should be submitted to:

John A. Krajewski, P.E.
Manager, Planning and Engineering Services

Municipal Energy Agency of Nebraska
1111 O Street, Suite 200
Lincoln, Nebraska 68508

Proposals should include the following information:

1. Proposed scope of services
2. Identification of project manager and key personnel that will be performing work.
3. Professional experience of personnel assigned to the project
4. References for similar projects completed by the project manager and key personnel assigned to this project. At least three references should be provided.
5. Billing rates of personnel assigned to the project.
6. Detailed Compensation, broken out by major contracts and pieces of equipment, and calculated separately for a 10 MW and 20 MW project.
7. Project schedule.

Schedule

The following is a tentative schedule for the issuance, review, and award of contract for this RFP.

July 1, 2001	RFP issued
July 19, 2001	Optional pre-bid meeting in Kimball, NE
August 20, 2001	Responses due by 5:00 P.M. CDT
August 21-24, 2001	Review by MEAN staff
August 27-31, 2001	Interviews (if necessary)
August 31, 2001	Selection of preferred consultant

Scope of Contract

MEAN envisions the following tasks to be completed by the selected consultant:

1. Site selection: The consultant will provide advice regarding “macro” site selection in the Kimball area and “micro” site selection within the selected area. MEAN will provide wind data for the Kimball wind monitoring station and maps of the area transmission and distribution systems to assist in these tasks. Other data will be provided to the extent possible. The consultant will recommend the preferred site (or sites) to MEAN staff, who will then negotiate leases with area landowners.
2. Project design: The selected consultant will provide services related to the design of the project, including roads, turbine foundations, towers and turbine generators, substation and interconnection facilities, SCADA and telemetry systems, and any other necessary facilities.
3. Turnkey construction: The selected consultant will acquire and construct the wind turbines and all associated equipment necessary for delivery of output to the Kimball 34.5 kV distribution system. The consultant will be responsible for acquisition of:

- a. Wind turbines
- b. Towers
- c. 34.5 kV step-up transformers
- d. Underground collection feeder equipment
- e. Overhead 34.5 kV distribution to Kimball distribution system. For purposes of this proposal, assume three miles of 34.5 kV distribution lines.
- f. Interconnection to the existing Kimball distribution system.
- g. SCADA systems
- h. Meteorological towers and monitoring equipment

Consultant will be responsible for constructing the following facilities:

- a. Turbine foundations
 - b. Roads
 - c. Towers
 - d. Wind turbine placement
 - e. 34.5 kV underground collection system
 - f. Overhead 34.5 kV distribution to Kimball distribution system
 - g. Interconnection with the Kimball distribution system
4. Start-up and Commissioning: The selected consultant will complete acceptance testing, commissioning, training of Kimball staff in routine O&M, and certification for commercial service as may be required for financing purposes.

Project and Equipment Specifications

Turbines

The consultant should select and procure the turbines. The turbines should be at least 1.2 MW (nameplate capacity). The purpose of the size restriction is to limit the number of towers, to limit the amount of land that will need to be acquired, and to ensure that the turbines selected are the state of the art. The consultant will include the following information regarding the selected turbines:

1. Manufacturer
2. Size of turbine
3. Method of delivery to site
4. Performance curve (output vs. wind speed)
5. Description of any warranties, performance guarantees, and availability guarantees provided by the turbine manufacturer. Consultant or turbine vendor will assign all performance guarantees and warranties to MEAN as owner of the project.

Because the selected site is known to have lightning storms, the turbines should have integrated lightning protection systems.

Towers and Foundations

The towers should be at least 74 meters (hub height) and shall be approved for use with the specified turbines. All foundations will be constructed to the standards specified by the turbine manufacturer and tower supplier. The proposal should specify the tower manufacturer and

indicate that the turbine manufacturer has approved the tower for use with the specified wind turbine.

Distribution Facilities

All distribution facilities, underground or overhead, should be constructed and operated at 34.5 kV to allow for interconnection with the Kimball distribution system. Each turbine should have its own 34.5 kV pad-mount transformer. All distribution facilities should be constructed to meet or exceed Rural Utilities Service (RUS) standards. The distribution facilities interconnecting the proposed project with the City of Kimball distribution system shall be built to accommodate a project of up to 30 MW. The proposal should provide a one-line diagram of the proposed distribution facilities.

Interconnection

The proposal should provide for construction of interconnection facilities with the City of Kimball's distribution system. MEAN will provide copies of the transmission and distribution system one-line diagrams for the WAPA system as well as the City of Kimball's distribution system upon request.

The interconnection should include protective devices and relays required to protect the Kimball distribution system from any electrical disturbances caused by the proposed project. The proposal should note the equipment that will be included at the interconnection. The proposal should include a proposed one-line diagram of the interconnection.

Metering

The proposal should provide for metering of individual turbine output as well as provide for metering at the point of interconnection between the project and the City of Kimball's 34.5 kV distribution system.

Meteorological Tower

The proposal should include the construction of a permanent meteorological tower for the collection of real-time wind speed, direction, temperature, and other meteorological data. The project should include a communications system to transmit real-time meteorological data to the individual turbines as well as to MEAN's office for use in scheduling.

Land Survey, Soil Borings and Testing

The proposal should provide for all land surveys, soil borings, and testing necessary to construct the project. Similar wind projects have been constructed within 60 miles of Kimball. The terrain and soil composition is similar in those areas to that in the Kimball area.

SCADA

The proposal should include a system for monitoring the output of the generator on a real-time basis. The project should include a system that would enable to MEAN to monitor generator output from its offices in Lincoln, NE via either a dial-up connection or through use of an Internet connection. Provisions for monitoring generator output by the control area operator, the Western Area Power Administration (WAPA) in Loveland, CO, should be included.

The proposal should include the type of data acquisition system, what information is included, how the data can be monitored in Lincoln, and provisions for providing real-time data to WAPA.

Equipment Vendors

MEAN does not have any particular preference for American vs. foreign equipment vendors. MEAN reserves the right to give preferential consideration to proposals that use equipment vendors located in Nebraska or within the service territories of any MEAN members.

Financing and Payments

It is anticipated that MEAN will issue revenue bonds to finance this project. The bonds will be secured by a pledge of revenue from MEAN's total requirements participants. MEAN will be responsible for the financing. The proposal should provide a schedule of progress payments that are expected.

It is anticipated that MEAN will annually apply for the Renewable Energy Production Incentive (REPI). For purposes of issuing revenue bonds and rate setting, it will be assumed the REPI would not be available.

Environmental and Other Permitting

Consultant will be responsible for obtaining all necessary environmental and other permits as required by Federal, State and local authorities, except that MEAN will obtain approval from the Nebraska Power Review Board for construction of the generating facility and associated 34.5 distribution facilities. To our knowledge, there are no environmental restrictions that would prevent the project from being constructed. There are no wetlands, avian flyways, wildlife refuges, state or national parks within Kimball County. For purposes of FAA certification, an airport is located approximately three miles south of Kimball, near the I-80 interchange. It is not anticipated that the project would be constructed within a five-mile radius of the airport.

The City of Kimball and Kimball County do not have any zoning restrictions or building permit requirements that would impede the construction of this facility. Consultant will provide a list of all other permits that will be necessary to construct the facility.

Land Acquisition

Upon site selection, MEAN will negotiate leases with landowners. We would like to limit the number of landowners involved to one or two, depending on site layout and location. The proposal should be written as if only two landowners are involved and as if MEAN is responsible for securing leases and royalty agreements. In addition, the proposal should assume the turbines are constructed in one or two arrays.

MEAN or the City of Kimball will be responsible for securing right of way for the 34.5 kV overhead distribution facilities to the interconnection with the City of Kimball.

Schedule

The deadline for completing the project would be October 1, 2002. This deadline was established to ensure completion of the project prior to expiration of the Renewable Energy Production Incentive (REPI) that applies to public power entities, like MEAN. The REPI expires

in December 2003, which provides more flexibility for project completion and turbine delivery than the production tax credit that expires in 2001.

Selection Criteria

The following criteria will be used to select the preferred vendor:

1. Schedule (10%)
2. Qualifications and Experience on Similar Projects (30%)
3. Quality of Proposal (10%)
4. Local content for equipment vendors (5%)
5. Price and payment structure (35%)
6. Interviews (if conducted) (10%)

Pre-Bid Conference

An **optional** pre-bid conference will be held in Kimball, NE on July 19, 2001. The initial meeting will be held at 10:00 AM (MDT) at the City of Kimball offices in downtown Kimball. At that time, additional information regarding the City's electrical distribution system, transmission interconnections, surrounding terrain, location of existing wind monitoring stations, and other readily available information will be provided and a tour of the City's distribution system and the neighboring area will be conducted.

Intent to Bid

All interested consultants must provide an indication of your intent to bid and to attend the optional pre-bid conference no later than 5:00 P.M. (CDT) on July 15, 2001. The attached Exhibit A must be returned via facsimile transmission or courier service.

Interviews

MEAN reserves the right to short-list the candidate firms and conduct interviews. If interviews are conducted, they will occur at the MEAN office in Lincoln, NE and will be scheduled at a mutually agreeable time the week of August 26.

Other Information

MEAN reserves the right to reject any and all proposals, with or without cause. This is not an offer to enter into a consulting services agreement. Nothing in this letter or any associated communications shall be taken as constituting an offer or representation between MEAN or another party. All costs associated with responding to this RFP, including attendance at the pre-bid conference, participation in interviews, and other time and expenses shall be borne by the respondent. MEAN reserves the right to disregard technical non-compliance with the RFP.

If you have any questions regarding the RFP, please contact:

John A. Krajewski, P.E.
Phone: 402-474-4759
E-mail: jkrajewski@nmppenergy.org

We look forward to reviewing your proposals.

Sincerely,

John A. Krejewski, P.E.
Manager of Planning and Engineering
Municipal Energy Agency of Nebraska

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EXHIBIT A

INTENT TO BID

Municipal Energy Agency of Nebraska Kimball Wind Energy Resource

Name of Proposer: _____

Company Name: _____

Contact Person: _____

Title/Position: _____

Courier Address: _____

Mailing Address: _____

Telephone: _____

Fax: _____

Legal name of party that will actually be bound by any resulting contracts with MEAN, if different from above:

Form Completed By: _____

Signature: _____

Title/Position: _____

Telephone: _____

Do you intend to attend the pre-bid conference on July 19, 2001? Yes / No

This form should be completed and returned to MEAN on or before July 15, 2001. The form may be sent by facsimile, e-mail (jkrajewski@nmppenergy.org), courier service or regular mail. MEAN's facsimile number is 402.474.0473. MEAN's mailing address is P.O. Box 95124, Lincoln, NE 68509-5124. MEAN's street address is 1111 "O" Street, Lincoln, NE 68508-3614.